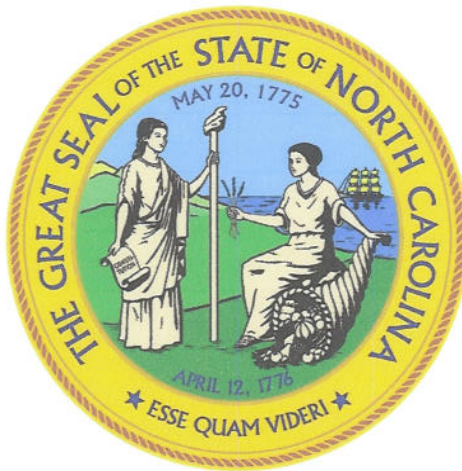


NORTH CAROLINA DEPARTMENT OF ADMINISTRATION

REDUCTION-IN-FORCE (RIF) POLICY



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North Carolina Department of Administration**


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North Carolina Department of Administration Reduction-in-Force Policy

The following policy and guidelines detail the Department of Administration's strategies for the Reduction-in-Force (RIF) Plan as required by the State Personnel Commission. The policy is filed with the Office of State Personnel.

I. Agency Responsibility

The Department of Administration has the authority to separate an employee whenever it is necessary due to shortage of funds or work, abolishment of a position, or other material change in duties or organization. Retention of employees in classes affected shall be based on systematic consideration, at a minimum, of the following factors:

- type of appointment
- relative efficiency
- actual or potential adverse impact on the diversity of the work force
- length of service

Neither temporary, probationary, nor trainee employees in their initial six months of training shall be retained in classes where employees with a permanent appointment (those who have satisfactorily completed a probationary or equivalent trial period) must be separated in the same or related class.

In determining the length of service, an eligible veteran shall be accorded one year of state service for each year or fraction thereof of military service, up to a maximum of five (5) years credit.

A. Purpose

The Secretary of the Department of Administration and members of the Executive Management Team will identify organizational units within their jurisdiction which may be reduced to satisfy mandated goals for eliminating positions. In accordance with federal guidelines affecting equal employment opportunity, all decisions concerning Reduction-in-Force will be examined by the Agency's EEO Officer to ensure that they do not cause underutilization by race and sex or adversely affect any protected groups. The Human Resources Director and the Agency's EEO Officer will monitor the implementation of any RIF procedures to ensure compliance with State Personnel Policies and applicable statutes governing employee rights.

Retention of employees in classes affected shall be based on systematic consideration, at a minimum, of the following factors: type of appointment, relative efficiency, actual or potential adverse impact on the diversity of the work force, and length of service. In Reduction-in-Force situations where seniority or years of service is one of the considerations in retention, an eligible veteran shall be accorded one year of state service for each year or fraction thereof of military service, up to a maximum of five (5) years credit. However, neither temporary, probationary, nor trainee employees in their initial six months of training shall be retained in classes where permanent employees (those who have completed a probationary or equivalent trial period) must be separated in the same or related class.

B. Appeals

An employee separated through Reduction-in-Force may appeal that separation if it is alleged that the separation is in retaliation for the employee's opposition to alleged discrimination on account of the

employee's age, sex, race, color, national origin, religion, creed, political affiliation, or disabling condition as defined by Chapter 168A of the NC General Statutes. An employee may also appeal if he or she was denied veteran's preference in connection with the reduction. Such an appeal may be made either through the Department of Administration's internal grievance procedure or may be filed directly with the Office of Administrative Hearings, at the choice of the employee.

C. Affirmative Action

In accordance with federal guidelines affecting equal employment opportunity and affirmative action, all decisions concerning Reduction-in-Force must be analyzed to determine their impact on agency utilization goals by race and sex and to avoid adverse impact in violation of Section 4.d of the Uniform Guidelines on Employee Selection Procedures.

D. Leave

Vacation Leave: Employees may elect, subject to approval by management, to use vacation leave after their last day of work and be paid in a lump sum for the balance not to exceed 240 hours. If an employee has over 240 hours of vacation leave at the time of Reduction-in-Force, the excess leave shall be reinstated when re-employed within one year.

Sick Leave: Employees separated due to Reduction-in-Force shall be informed that their sick leave shall be reinstated if employed in any agency within five (5) years.

II. Program Dissemination

1. The Department of Administration's Reduction-in-Force policy will be posted on the Human Resources Management Division's website for all employees to access and may be obtained in hard copy format by any employee upon request to the Human Resources Management Division.
2. Policy orientation sessions will be held for managers during times when Reduction-in-Force employees have been identified.
3. The policy will be provided to employees upon notification of a pending Reduction-in-Force.

III. Reduction-in-Force Guidelines

Guidelines for determining which positions are to be abolished when Reduction-in-Force becomes necessary.

The following guidelines have been developed in order to meet the Department's particular needs while providing assurance to employees that potential reductions shall be considered on a fair and systematic basis:

1. Determination of the number of positions which must be abolished to meet the established goal.
2. The feasibility of abolishing entire programs or parts of programs.
3. Identification of areas where the number of positions must be reduced or abolished.

4. Identification of the classification of positions to be abolished to determine whether personnel can be interchanged with other work units. Before a position is abolished, attention should be given to using vacant positions to utilize employees who would otherwise be separated.
5. Evaluation of employees so identified by using the following criteria, where possible, and others, where appropriate:
 - a. Business needs of agency to deliver services
 - b. Relative efficiency such as, the skills, knowledge, productivity, and value of employee's work. This may include the Individual Work Plan and Performance Review (Work Plan) and/or update of skills inventory profile on employees.
 - c. Reduce temporary, probationary and trainee employees (trainees who are in initial six (6) months of training) before employees with permanent appointment in same or related classes
 - d. Adverse impact on protected group individuals
 - e. Length of service of employees (cannot be only factor). In Reduction-in-Force situations where seniority or years of service is one of the considerations in retention, the eligible veteran shall be afforded one year of state service for each year or fraction thereof of military service, up to a maximum of five (5) years credit.
6. Specific and accurate documentation of steps followed in Reduction-in-Force action shall be a part of management's responsibility.
7. Preliminary list of employees to be Reduction-in-Force shall be submitted to the Human Resources Management Division by the Secretary of the Department of Administration.
8. The EEO Officer will conduct adverse impact analysis report as prescribed by the Office of State Personnel's Equal Employment Opportunity Planning Resource Guide.
9. A summary of findings from the adverse impact analysis will be reviewed by the Human Resources Management Director, Executive Management Team and the EEO Officer.
10. A final list of positions to be reduced will be compiled by the Executive Management Team including a list of documented attempts and alternatives actually utilized to avoid the separation(s).

The Human Resources Division will furnish to the Office of State Personnel a list of all Reduced-in-Force employees so that OSP can include those employees who are eligible for Priority Reemployment on the password protected RIF Priority Verification List. Those employees desiring priority consideration, must apply for vacant positions, within the same pay grade or lower (or the banded equivalent of these positions), and inform the agency or university that he or she is seeking RIF Priority.

Health Insurance

Employees with twelve (12) months of service whose job is eliminated are eligible to continue coverage for up to twelve (12) months on a non-contributory basis and on a contributory basis thereafter. Spouses and dependent children of those employees are eligible for coverage on a contributory basis.

IV. Reduction-in-Force Procedures

As soon as possible, but no later than thirty (30) days prior to the separation date, notify each employee in writing of the action to be taken regarding his or her potential Reduction-in-Force. The letter to be given to the employee will be prepared with assistance from the Human Resources Management Division and will include:

- a. The reason for the RIF
- b. The date of which the employee could be separated, if conditions do not change
- c. Eligibility for priority re-employment consideration
- d. Appeal rights
- e. RIF benefits information packet prepared by the Human Resources Management Division

The Division Director or another member of management should not only provide the above mentioned written information to the affected Reduction-in-Force employee, but should also explain very clearly the action that is taking place. The Reduction-in-Force employee is also to be reminded that the Human Resources Management Division is available to provide counseling and to explain the technical aspects of the RIF Policy and its effects.

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